

29 January 2016

**Capital Mining Limited**

**ASX: CMY, CMYO**

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**Directors**

Mr Peter Torney

Mr Peter Dykes

Mr Anthony Dunlop

**Company Secretary**

Mrs Elizabeth Hunt

## QUARTERLY ACTIVITIES REPORT DECEMBER 2015

Capital Mining Limited (**'the Company'**) presents details of the Company's activities during the quarter, December 2015.

### 1. Cash Balance

The Company cash balance as at 31 December 2015 was \$628,000. However, the directors are pleased to advise that the cash balance as at 29 January 2016 is \$2,044,000.

### 2. Corporate

During the quarter, the Company completed two placements to raise \$2,541,672 (a total of 385,096,003 shares).

### 3. Exploration & Existing Business

During the reporting period, the Company's focus was on capital raising, and no exploration activities were undertaken on any of the Company's projects. However, the Directors are pleased to advise that a number of approaches have been made by interested parties in respect of the Companies existing Gold assets. The Directors are continuing discussions with these parties in order to maximise the value of its existing business assets.

### 4. Future direction

The Company notes it is continuing to work with Chapmans Limited, which the Company has engaged for the purposes of assessing investment opportunities in the technology sector. The Company will update the market as and when a compelling transaction is identified.

# CAPITAL MINING LIMITED



ABN 69 104 551 171

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## 5. ASX Listing Rule 5.3.3

The Company presents the tenement information in Table 1 below in accordance with ASX Listing Rule 5.3.3.

**Table 1:** Tenement Information

Project Name	Location	Tenement Licence	Interest held at 30 September 2015	Interest acquired/disposed of	Interest held at 31 December 2015
Mayfield	NSW	EL6358	51%	N/A	51%
Chakola	NSW	EL5697	100%	N/A	100%
Cowarra*	NSW	EL5939	50%	N/A	50%

*\*As announced on 6 January 2015 Gold Mountain Limited (ASX: GMN) entered into an agreement with CMY to acquire their remaining unearned interest in EL 5939. It is anticipated that this transaction will be finalised in the next quarter.*

**-ENDS-**

### Enquiries:

**Capital Mining Limited**

Peter Dykes

Director

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Capital Mining Limited

ABN

69 104 551 171

Quarter ended ("current quarter")

31 December 2015

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(79) - - (494)	(97) - - (1,237)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(567)</b>	<b>(1,328)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- (422) -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- 799 -	- 799 -
1.10 Loans to other entities	(2,290)	(3,134)
1.11 Loans repaid by other entities	150	150
1.12 Other – Refund of tenement bond	20	40
<b>Net investing cash flows</b>	<b>(1,321)</b>	<b>(2,567)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,888)</b>	<b>(3,895)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,888)	(3,895)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	2,488	4,850
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – costs of share issue	(198)	(335)
	<b>Net financing cash flows</b>	2,290	4,515
	<b>Net increase (decrease) in cash held</b>	402	620
1.20	Cash at beginning of quarter/year to date	226	8
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	628	628

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	176
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 – Directors’ fees including superannuation, consulting fees.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	30
4.2 Development	-
4.3 Production	-
4.4 Administration	400
<b>Total</b>	<b>430</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	628	226
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>628</b>	<b>226</b>

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+ See chapter 19 for defined terms.

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A		

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference</b>			
	<b>+securities</b>			
	<i>(description)</i>			
7.2	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	761,927,360	761,927,360	
7.4	Changes during quarter	(a) 385,096,003	(a) 385,096,003	0.7 cents
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs			
7.5	<b>+Convertible debt securities</b>			
	<i>(description)</i>			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	(a) 26,933,609	26,933,609	Exercise price 20 cents	Expiry date 31 December 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

(~~Director~~/Company Secretary)

Date: 29 January 2016

Print name:

Elizabeth Hunt

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+ See chapter 19 for defined terms.

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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